



Commonwealth of Massachusetts State Ethics Commission

One Ashburton Place, Room 619, Boston, MA, 02108
phone: 617-727-0060, fax: 617-723-5851



SUFFOLK, ss.

**COMMISSION ADJUDICATORY
DOCKET NO. 614**

IN THE MATTER OF RALPH SHALSI

DISPOSITION AGREEMENT

The State Ethics Commission and Ralph Shalsi enter into this Disposition Agreement pursuant to 5 of the Commission's Enforcement Procedures. This Agreement constitutes a consented-to final order enforceable in the Superior Court pursuant to G.L. c. 268B, §4(j).

On September 19, 2000, the Commission initiated, pursuant to G.L. c. 268B, §4(a), a preliminary inquiry into possible violations of the conflict of interest law by Shalsi. The Commission concluded that inquiry, and on December 13, 2000, found reasonable cause to believe that Shalsi violated G.L. c. 268A, §23(b)(2).

The Commission and Shalsi now agree to the following findings of fact and conclusions of law:

1. From January 1998 through July 31, 2000, Shalsi served as the Everett 911 Emergency Services Director. As such, he was a municipal employee within the meaning of §1 of the conflict of interest law, G.L. c. 268A.
2. During the relevant time, Beth Frongillo served as a dispatcher at the Everett 911 Emergency Communications Center. Shalsi, as the 911 director, was Frongillo's supervisor. Shalsi had the ability to and did take action concerning Frongillo's employment.
3. Shalsi and Frongillo had no private business or social relationship.
4. In spring 1999, certain employees of the 911 Department ordered shirts with embroidered work. Shalsi's order came to \$130. In May 1999, Shalsi told Frongillo that he was short on funds and asked her to loan him \$130 to pay his outstanding shirt debt. Frongillo agreed to loan Shalsi the money and wrote out a \$130 check. There was no understanding as to when the loan was to be repaid. Frongillo testified that Shalsi being her boss was a factor in her agreeing to loan Shalsi the money.
5. In June 1999, Shalsi, again finding himself short on funds, asked Frongillo to loan him an additional \$200. Frongillo refused Shalsi's request.
6. In July 1999, after Frongillo made requests for repayment, Shalsi paid Frongillo the \$130 he had borrowed from her.

7. Section 23(b)(2) of G.L. c. 268A prohibits a municipal employee from knowingly or with reason to know using or attempting to use his position to obtain for himself or others an unwarranted privilege of substantial value which is not properly available to similarly situated individuals.

8. Shalsi requested loans of \$130 and \$200 from his subordinate Frongillo. Where Shalsi was Frongillo's superior, had the ability to and did take action concerning her employment, and had no friendship or other personal relationship outside the employment relationship, Shalsi knew or had reason to know that he was using his official position in his requests for the loans. That is, Shalsi knew or had reason to know that Frongillo would, in part, be motivated to agree to loan him the money because of his official position as her supervisor.

9. The ability to borrow significant monies is a special benefit and thus is a privilege.

10. Borrowing money from a subordinate with whom one has no private business or social relationship is an unwarranted privilege. Inevitably, such a solicitation is inherently coercive as it is based in part on the exploitable nature of the superior-subordinate relationship.

11. The ability to borrow significant monies (here \$130 and \$200) from a subordinate is of intangible substantial value.

12. The ability of a supervisor to request and/or obtain loans from a subordinate is not permitted in the workplace. Therefore it is not properly available to similarly situated individuals.

13. Thus, by using his official position as the 911 director in securing for himself the unwarranted privilege of a loan of \$130 and in attempting to obtain a \$200 loan, both from his subordinate, Shalsi violated G.L. c. 268A, §23(b)(2).

In view of the foregoing violations of G.L. c. 268A, the Commission has determined that the public interest would be served by the disposition of this matter without further enforcement proceedings, on the basis of the following terms and conditions agreed to by Shalsi:

(1) that Shalsi pay to the Commission the sum of \$500 as a civil penalty for the violation of G.L. c. 268A, §23(b)(2); and

(2) that Shalsi waive all rights to contest the findings of fact, conclusions of law and terms and conditions contained in this Agreement in this or any other related administrative or judicial proceeding to which the Commission is or may be a party.

DATE: March 15, 2001